Annex to the note verbale dated 29 May 2008 from the Permanent Mission of Italy to the United Nations addressed to the Chairman of the Committee

Report on the steps taken by Italy to implement United Nations Security Council resolution 1803 (2008)

Italy has the honour to provide the Security Council, pursuant to paragraph 13 of resolution 1803 (2008), with information on the implementation of paragraphs 3, 5, 8, 9, 10 and 11 of Security Council resolution 1803, adopted on March 3, 2008.

As a European Union member state, Italy would like to recall that the approval of resolution 1803 has already given rise to European measures in respect of certain provisions.

The EU Commission approved on March 11, 2008, Regulation 219/2008. It entered into force on March 13, 2008. EU Commission Regulation 219/2008 has amended Annex IV of EU Council Regulation 423/2007, updating the lists of persons and entities whose assets are to be frozen in accordance with Security Council resolutions.

The present report will highlight additional national steps taken by the Italian Government to implement Security Council resolution 1803 (2008).

All the ministries and government departments involved were immediately informed about the provisions of resolution 1803. They, in turn, alerted their regional and provincial offices and instructed them to enforce the new rules at the local level. In particular:

Paragraphs 3 and 5: an efficient monitoring system to prevent entry into or transit through Italy was put in place after the adoption of resolutions 1737 and 1747. The visa system's database was immediately updated after the adoption of resolution 1803 and the usual procedure remains in place. Visas being compulsory for all Iranian nationals, any individual listed in Annex I and II to Security Council resolution 1803 (2008) would be flagged.

Paragraph 8: The departments in charge of customs controls and those responsible for dual-use export licences have taken all necessary steps to remind shipping agents and airline operators of the embargo on transporting certain items to Iran and have notified the updated lists of banned items. The effective monitoring system set up after the adoption of resolutions 1737 and 1747 has been extended to resolution 1803.

Paragraph 9: Public financial support for trade with Iran was already drastically reduced after resolutions 1737 and 1747 were adopted and, to a large extent, even before. No new export credits guarantees and insurances have been provided for Iran in the past few months. Consequently, outstanding amounts are steadily being reduced. Resolution 1803 simply confirms establish Italian Government policy.

Paragraph 10: The Bank of Italy has issued further instructions to all banks and financial entities to remain particularly vigilant in their transactions with all Iranian banks, in particular Bank Melli and Bank Saderat (neither bank has branches in Italy). The Bank of Italy has specifically called for reinforced "customer due

diligence" in any transaction involving Iran. Bank Sepah remains under provisional administration under the strict supervision of government-appointed administrators.

Paragraph 11: The Italian Customs Agency, immediately notified of resolution 1803, is taking all necessary steps to set up an efficient monitoring system for Iran Air Cargo and Islamic Republic Shipping Line vessels.